

SB 5483 - S COMM AMD

By Committee on Transportation

On page 37, after line 34, insert the following:

"NEW SECTION. Sec. 417. A new section is added to chapter 46.17 RCW to read as follows:

(1) Beginning July 1, 2022, there is levied and collected an air quality surcharge as a one-time charge on the initial registration of a new passenger car or light truck in this state with a model year 2022 or newer as calculated under subsection (2) of this section. For passenger cars or light trucks purchased in other states, the air quality surcharge must be imposed at the time of initial registration or titling in Washington as calculated under subsection (2) of this section. The air quality surcharge imposed under this section is in addition to all other fees and taxes required by law. The revenue collected under this subsection must be deposited in the forward flexible account created in section 802 of this act. The air quality surcharge does not apply to vehicles powered exclusively by electricity, including electricity generated by hydrogen fuel cells.

(2) In determining the amount of the surcharge imposed under this section, the department must:

(a) Calculate the estimated total fuel gallonage use for each particular make and model of vehicle by dividing the 150,000 mile expected useful life by the combined fuel economy rating produced by the environmental protection agency for each particular make and model of vehicle. The department may utilize aggregated make and model information in this calculation;

(b) Estimate, with the assistance of the department of ecology, and based on the estimated total fuel gallonage use as calculated under (a) of this subsection the total amount of greenhouse gas emissions produced for that particular make and model of vehicle over its useful life based on the fuel use. For passenger cars or light trucks purchased in other states, the department must estimate the greenhouse gas emissions produced for that particular vehicle based

1 on the estimated remaining useful life after the initial registration
2 in Washington; and

3 (c) Multiply the total amount of the greenhouse gas emissions for
4 each vehicle as estimated under (b) of this subsection by the air
5 quality surcharge rate as determined under subsection (3) of this
6 section, the result of which is the amount of the surcharge to be
7 imposed under this section.

8 (3) For fiscal year 2023, the air quality surcharge rate is \$5
9 per metric ton of carbon dioxide. After fiscal year 2023, the air
10 quality surcharge rate must be increased each year by two percent.

11 (4) The department must maintain and publish a list of the air
12 quality surcharge amounts for the make and model of each vehicle.

13 (5) By December 1, 2021, the department must develop an
14 implementation plan for imposing an air quality surcharge under this
15 section beginning July 1, 2022. The plan must include, but is not
16 limited to:

17 (a) Recommendations for the imposition of this surcharge on new
18 vehicle purchases and vehicles being initially registered in
19 Washington after being purchased in other states to achieve cost
20 efficiency, fairness, minimal administrative cost, climate and air
21 quality improvement, and payment compliance; and

22 (b) Any specific recommended changes to the statutory language in
23 subsection (2) of this section to more effectively implement the
24 surcharge.

25 (6) For purposes of this section:

26 (a) "Light truck" has the same meaning as in RCW 46.04.271.

27 (b) "Passenger car" has the same meaning as in RCW 46.04.382.

28 (c) "Greenhouse gas" has the same meaning as in RCW 70A.45.010.

29 (7) The department may adopt any rules as are necessary to carry
30 out this section."

31 Beginning on page 56, line 5, strike all of sections 511 and 512

32 Correct any internal references accordingly.

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1 On page 1, beginning on line 11 of the title, after "chapter
2 36.01 RCW;" strike all material through "chapter 46.17 RCW" on line
3 13 and insert "adding new sections to chapter 46.17 RCW;"

EFFECT: (1) Eliminates the for-hire vehicle per trip fee provisions. (Reduction of \$218 million in revenue over 16 years).

(2) Removes the third-party food delivery per trip fee provisions (Reduction of \$186 million in revenue over 16 years).

(3) Imposes an air quality surcharge which is a one-time charge on new vehicle purchases based on a portion of the expected greenhouse gas emissions associated with the vehicle over its useful life. (Increase of \$1.1 billion in revenue over 16 years).

FISCAL IMPACT: \$735 million increase in revenue over 16 years.

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